

U.S. Department of Justice

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PRESS RELEASE

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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced that Jonathan William Whitten, age 34, of Houston, Texas, was sentenced today by U.S. District Judge Leonie M. Brinkema to 15 months incarceration, and ordered to pay \$425,780 restitution to Allstate Insurance Company. Whitten's sentence resulted from his mail fraud conviction stemming from a scheme to defraud the Allstate Insurance Company.

Jonathan William Whitten was an associate of an individual who was employed by Allstate Insurance Company as a field adjuster serving customers in the Northern Virginia area. In approximately October 1996, Whitten and his associate devised a scheme to defraud Allstate Insurance Company by inflating the cost of repairs included in legitimate property damage claims submitted by Allstate customers. Whitten's associate identified Whitten as the workman who performed the repairs required by the fictitious damages. As a result, Whitten received payments from Allstate for the inflated amounts. After receiving the fraudulent payments, Whitten returned approximately half the money by personal checks payable to his associate.

The scheme continued until May 2001, one month before Whitten's associate terminated his employment at Allstate. Between October 1996 and May 2001, the associate delivered money to Whitten by drawing or causing to be drawn 70 Allstate checks payable to Whitten and totaling \$425,777. Between February 1997 and May 2001, Whitten returned \$215,533 of these fraud proceeds to his associate by drawing 66 personal checks totaling \$208,208 and delivering \$7,325 in cash to his associate. Whitten retained \$210,244, the balance of the money. Both Whitten and his associate used their portions of the proceeds for personal use.

The investigation was conducted by special agents of the Federal Bureau of Investigation. Prosecution of the case was handled by Assistant United States Attorney John J. Klein.